

VZCZCXRO4879
PP RUEHBC RUEHDE RUEHKUK
DE RUEHIHL #0101/01 1621745
ZNY CCCCC ZZH
P 111745Z JUN 06
FM REO HILLAH
TO RUEHC/SECSTATE WASHDC PRIORITY 0653
RUEHGB/AMEMBASSY BAGHDAD PRIORITY 0639
INFO RUCNRAQ/IRAQ COLLECTIVE
RUEHIHL/REO HILLAH 0704

C O N F I D E N T I A L SECTION 01 OF 02 HILLAH 000101

SIPDIS

SIPDIS

E.O. 12958: DECL: 6/11/2016
TAGS: PGOV PROP KISL SCUL IZ
SUBJECT: BAGHDAD THREATENS REGIONAL NEWSPAPERS

HILLAH 00000101 001.2 OF 002

CLASSIFIED BY: Douglas Meurs, DRC, REO Al Hillah, Department of State.
REASON: 1.4 (b), (d)

¶11. (SBU) SUMMARY: Baghdad-based Iraqi Media Network (IMN) and national Al-Sabah newspapers are threatening to cut subsidies to South Central regional independent newspapers, potentially forcing the closure of journals Al-Fayhaa in Babil, Al-Diwaniyah in Diwaniyah, and Al-Ilam Al-Iraqi in Karbala. These newspapers have limited circulation (two to five thousand copies), little advertising, and probably cannot currently go it alone. One paper has already announced it intends to close if subsidies are shut off. The others are protesting the decision and weighing whether or not to accept a forced merger into IMN's own national newspaper (Al-Sabah) as a combined four-page regional weekly supplement, an option that would force them to lay off nearly all staff. Either option would deal a shattering blow to the morale of the secular and moderate community in South Central.
END SUMMARY

¶12. (U) The Irai Media Network decision came as bitter news to newspapers already reeling from increasing threats and intimidation. Editors attributed the decision to a power grab by the IMN national newspaper Al-Sabah. IMN management offered regional papers a take-it-or-leave-it option of continuing to publish as combined regional weekly supplemented bundled with Al-Sabah.

¶13. (SBU) The three newspapers, Al-Fayhaa, Al-Diwaniyah, and Al-Ilam Al-Iraqi, have circulations of under five thousand copies per run. Their editorial content is tightly circumscribed by the need to avoid offending political parties, politicians, and militias. The Al-Fayhaa recently carried an article detailing the Mahdi Militia abduction of a music shop owner from his hospital bed. Two days later, grenades were thrown at Al-Fayhaa's offices and the newspaper quickly printed a retraction and Mahdi Militia's version of the incident (see the May 15 REO Al-Hillah Media Report for details). Since then, Al-Fayhaa has prominently carried articles about Muqtada al-Sadr's activities. An editor for Al-Diwaniyah described for REO staff how he is careful not to name names and "walks a fine line" in deciding what to print.

¶14. (U) Nonetheless, these newspapers are virtually the only local source of neutral, nonpolitical party affiliated news in the five South Central provinces. They regularly report on agricultural developments, NGO activity, reconstruction progress, and economic news. In doing so, they focus attention on the ability of provincial governments to deliver public services. If they were to cease publication, the ever-shrinking moderate and secular community in South Central would sink further into isolation. The editor of Al-Fayahaa told REO staff

that their last issue would come out on Wednesday, July 78. The other newspapers are pondering their options, but have so far refused to merge into Al-Sabah.

¶15. (U) Unfortunately, no regional paper here has consistently generated a profit - in part because of IMN's subsidy of printing costs. Management has focused on providing content and has consistently failed to recruit advertising staff, cut costs, and improve distribution (often delegated to provincial government offices).

¶16. (C) In a meeting at the REO on June 7, editors from the three newspapers and a local editor from Al-Sabah (please protect) discussed their dilemma. The editors stated that they believe IMN's action is illegal under TNA Decree 66, which gives regional newspapers autonomy and forbids the firing of an editor-in-chief by the editorial management of another newspaper. They attributed the decision to end subsidies to a power play by IMN Deputy Director Director Al-Shabbot. The Deputy Director, they said, hoped to slash Al-Sabah's red ink and gain favor with political parties by eliminating independent newspapers in the South Central region and boosting Al-Sabah's circulation outside of Baghdad.

¶17. (C) The regional Al-Sabah editor was reluctant to defend his newspaper. He confirmed the independents' suspicion that if these newspapers were to become part of a weekly four-page supplement, their staff would be slashed to a handful of reporters at best. He noted that until recently, Al-Sabah and IMN policy had been to encourage the creation of independent newspapers in each province. In fact, he noted, Al-Sabah was assisting the opening of two new regional newspapers in the Kurdish provinces.

¶18. (U) The editors noted that Al-Sabah has benefited from taking over national printing presses and the revenue streams from each of the regional newspapers. They noted that if South Central papers had access to their own press and took steps to lower

HILLAH 00000101 002.2 OF 002

printing costs (reduce the number of pages and the use of color), printing costs could be reduced from one million Dinars to 250,000 Dinars per issue, putting their newspapers on the road toward non-subsidized operation.

¶19. (U) COMMENT: Circulation figures are small for these regional newspapers, but there are no alternative media outlets for the news they print. Al-Sabah has perhaps two articles per week that cover Babil Province. While these newspapers tread cautiously in covering political parties, they do keep the public informed about social services, the state of reconstruction, the local economy, and the performance of Provincial Councils and Governors. They cannot be replaced by a supplement in a national newspaper. If the status quo cannot be restored, rather than folding, as the editors are threatening, these newspapers will likely become subsidized publications for political parties, further diminishing the already circumscribed space left in South Central for moderate, non-partisan debate about the region's affairs. END COMMENT

MEURS